



GAUTENG PROVINCE
INFRASTRUCTURE DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

TENDER NUMBER: DID19/11/2022

**APPOINTMENT OF INDEPENDENT SERVICE
PROVIDERS FOR THE PROVISION OF
PROPERTY VALAUTION SERVICES FOR THE
PERIOD OF THREE YEARS**

NOVEMBER 2022

NAME OF TENDERING ENTITY:

TOTAL PRICE INCLUSIVE OF VATE: R.....



GAUTENG PROVINCE

INFRASTRUCTURE DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

PART A INVITATION TO BID

| | | | | | |
|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|---------------|-----------|---------------|----------|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (GAUTENG DEPARTMENT OF INFRASTRUCTURE) | | | | | |
| BID NUMBER: | DID19/11/2022 | CLOSING DATE: | 13-Dec-22 | CLOSING TIME: | 11:00 AM |
| DESCRIPTION | APPOINTMENT OF INDEPENDENT SERVICE PROVIDERS FOR THE PROVISION OF PROPERTY VALUATION SERVICES FOR THE PERIOD OF THREE YEARS | | | | |
| THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7). | | | | | |

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

The Department of Infrastructure Development, Tender box, Corner House Building, Corner Commissioner & Sauer Street, Marshalltown

The bid box is generally open 24 hours a day, 7 days a week.

SUPPLIER INFORMATION

| | | | | | |
|------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------------------------------------------------|---------|------------------------------|--|
| NAME OF BIDDER | | | | | |
| POSTAL ADDRESS | | | | | |
| STREET ADDRESS | | | | | |
| TELEPHONE NUMBER | CODE | | NUMBER | | |
| CELLPHONE NUMBER | | | | | |
| FACSIMILE NUMBER | CODE | | NUMBER | | |
| E-MAIL ADDRESS | | | | | |
| VAT REGISTRATION NUMBER | | | | | |
| CIDB CRS NUMBER | | | | | |
| COIDA REGISTRATION NUMBER | | | | | |
| SARS TAX PIN & CSD NUMBER | TCS PIN: | | CSD No: | | |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE (TICK APPLICABLE BOX) | Yes <input type="checkbox"/> | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | | Yes <input type="checkbox"/> | |
| | No <input type="checkbox"/> | | | No <input type="checkbox"/> | |
| IF YES, WHO WAS THE CERTIFICATE ISSUED BY? | | | | | |
| AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX | <input type="checkbox"/> | A SWORN AFFIDAVIT SIGNED BY THE COMMISSIONER OF OATH | | | |
| | <input type="checkbox"/> | A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS) | | | |
| | | NAME: | | | |

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

| | | | |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | Yes <input type="checkbox"/> No <input type="checkbox"/> (IF YES ENCLOSE PROOF) | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | Yes <input type="checkbox"/> No <input type="checkbox"/> (IF YES ANSWER PART B:3 BELOW) |
| SIGNATURE OF BIDDER | | DATE | |
| CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.) | | | |
| TOTAL NUMBER OF ITEMS OFFERED | | TOTAL BID PRICE (ALL INCLUSIVE) | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO: | | TECHNICAL INFORMATION MAY BE DIRECTED TO: | |
| DEPARTMENT/ PUBLIC ENTITY | Department of Infrastructure Development | CONTACT PERSON | Tshepo Rakau |
| CONTACT PERSON | Siya Khumalo | TELEPHONE NUMBER | |
| TELEPHONE NUMBER | N/A | FACSIMILE NUMBER | |
| E-MAIL ADDRESS | siya.khumalo@gauteng.gov.za | E-MAIL ADDRESS | tshepo.rakau@gauteng.gov.za |
| | | | |

| QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS | | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|--|----|--|--|
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | YES | | NO | | |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA? | YES | | NO | | |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | YES | | NO | | |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? | YES | | NO | | |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? | YES | | NO | | |
| IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW. | | | | | |

| TERMS AND CONDITIONS FOR BIDDING |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. BID SUBMISSION: |
| 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. |
| 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT. |
| 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT. |
| 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7). |
| 2. TAX COMPLIANCE REQUIREMENTS |
| 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. |
| 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS. |
| 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA. |
| 2.4 BIDDERS SHOULD SUBMIT A TCS PIN TOGETHER WITH THE BID. |
| 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER. |
| 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED. |
| 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE. |

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:



GAUTENG PROVINCE

INFRASTRUCTURE DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

INVITATION TO TENDER

| | | | | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------|--------------------------------------------------------------------------------------------------------------------|------------------|-----------|------------------|---------|
| Short description of requirements: | APPOINTMENT OF INDEPENDENT SERVICE PROVIDERS FOR THE PROVISION OF PROPERTY VALAUTION SERVICES FOR THE PERIOD OF THREE YEARS | | | | | | | |
| Tender number: | DID19/11/2022 | | | | | | | |
| Tender documents available from: 18 November 2022 | e-Tender Publication Portal (National or Provincial Treasury e-tender portal) http://e-tenders.gauteng.gov.za https://www.etenders.gov.za/ | | | | | | | |
| Price of tender documents: | Bid documents are only available online (e-tender portal) and bidders must download and print at their own cost | | | | | | | |
| Closing date: | 13-Dec-22 | | | | | | | |
| Closing time: | 11:00 AM | | | | | | | |
| Address for submission of tenders: no email, faxed or CD tender documents will be accepted. Tender documents must only be delivered to the mentioned address | GDID Tender Box, Ground Floor, Department of Infrastructure Development Corner House Building, Corner Commissioner and Pixley Ka Isaka Seme Street (Sauer Street) Marshalltown Johannesburg | | | | | | | |
| Evaluation Steps | 1) Pre-qualification 2) mandatory & Other Administration requirements 3) Functionality 4) Price and Preferences points system | | | | | | | |
| Non-Compulsory pre-bid meeting: | Details of the non-compulsory pre-bid meeting/site meeting is indicated below. <table border="1"> <tr> <td>Meeting address:</td> <td>Corner Commissioner and Pixley Ka Isaka Seme street, Johannesburg, Corner House Building, Ground Floor Auditorium.</td> </tr> <tr> <td>Date of meeting:</td> <td>29-Nov-22</td> </tr> <tr> <td>Time of meeting:</td> <td>10:00am</td> </tr> </table> | | Meeting address: | Corner Commissioner and Pixley Ka Isaka Seme street, Johannesburg, Corner House Building, Ground Floor Auditorium. | Date of meeting: | 29-Nov-22 | Time of meeting: | 10:00am |
| Meeting address: | Corner Commissioner and Pixley Ka Isaka Seme street, Johannesburg, Corner House Building, Ground Floor Auditorium. | | | | | | | |
| Date of meeting: | 29-Nov-22 | | | | | | | |
| Time of meeting: | 10:00am | | | | | | | |
| Pre-qualaification criteria applicable to this project | Only tenderers having a B-BBEE status level contribution of 1 or 2 or 3 will be considered for evaluation. Therefore, bidders must submit a valid B-BBEE certificate issued by a SANAS Accredited Agency or a valid sworn affidavit with the bid document. NB! Sworn affidavit must be signed by deponent and attested by a Commissioner of Oath, a copy of sworn affidavit will not be accepted and will result in disqualification. Original sworn affidavits must be accompanied by audited / unaudited annual financial statements or management accounts or a letter from the accountant confirming the financial position for a period of 12 months (whichever applicable depending on (whichever applicable depending on the nature of the business) and must not be older than 18 months. (A consortium or JV must submit a valid SANAS accredited consolidated BBBEE certificate, No sworn affidavit will be accepted for a trust, consortium or JV). Copies of BBBEE certificate must be certified and certification of BBBEE certificate should not be older than 6 months. | | | | | | | |
| MANDATORY / COMPULSORY ADMINISTRATIVE REQUIREMENTS | Submission of duly completed and signed SBD forms (SBD 1, SBD 3.3, SBD 4 & SBD 6.1) Bidders to provide an undertaking that on appointment they will have in their employ a minimum of two (02) x Professional Valuers per corridor, which number shall be applicable for the duration of the contract. In the event where the Bidders lose any of the minimum two (02) x Professional Valuers required at any time after appointment due to resignation or some other reason, then the Bidders must ensure that substitute Professional Valuers with the same qualifications and experience are employed within 60 (sixty) days. Submission of signed JV agreement or consortia agreement in case of Joint Venture/ Consortium that must stipulate the percentage revenue split between the parties | | | | | | | |

Other Administrative Requirements

Proof of Registration with CSD (the CSD report or MAAA number must be provided). CSD registration report for each main bidder, partner in the trust, consortium or joint venture to be submitted.

Submission of a Tax Compliance Status PIN that will grant a third-party access to the bidder's Tax Compliance Status. (A trust, consortium or joint venture must submit a Tax Compliance Status Pin of each partner in the trust, consortium or joint venture)

Registration Documents of the business with the Companies and Intellectual Property Commission (CIPC)

Certified ID copies for all members / directors / shareholders or owner/s to be submitted. (certification of documents should not be older than 6 months)

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------|
| Functionality requirements: (Failure to meet the prescribed minimum points will lead to automatically disqualification) | APPLICABLE FUNCTIONALITY | |
| | FUNCTIONALITY TOTAL WEIGHT POINTS: | 100 POINTS |
| | OVERALL MINIMUM FUNCTIONALITY SCORE: | 70 POINTS |
| | Bidders must obtain a minimum of 70 points to be considered for further evaluation (price and preference) | |
| | Total Functionality: 100 points. | |
| | Functionality Criteria | Weighting Factor |
| | Company Experience | 40 Points |
| | key personal qualification | 20 Points |
| | Key personnel Experience | 20 Points |
| | Project plan | 20 Points |

| | |
|--------------------------------------|----------------|
| Applicable PPPFA point system | 80/20 |
| Tender validity period is | 90 days |

| | |
|-------------------------------------------|----------------------------------------------------------------------------------------------|
| Enquiries technical: | Tshepo Rakau tshepo.rakau@gauteng.gov.za |
| Enquiries general: | Siya Khumalo siya.khumalo@gauteng.gov.za |
| Last date for accepting queries is | <u>7 days days before closing date</u> |

| |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Note to tenderers: |
| This tender is subject to the General Conditions and Special Conditions of Contract the Preferential Procurement Policy Framework Act no 5 of 2000 and its Regulations of 2017. |

PRICING SCHEDULE
(Professional Services)

| | |
|-----------------------|-------------------|
| NAME OF BIDDER: | BID NO.: |
| CLOSING TIME 11:00 | CLOSING DATE..... |

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

| ITEM NO | DESCRIPTION | BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED) |
|---------|-------------|----------------------------------------------------------------|
|---------|-------------|----------------------------------------------------------------|

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....

R.....

..... days

.....

R.....

..... days

.....

R.....

..... days

.....

R.....

..... days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

.....

.....

.....

R.....

.....

.....

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R.....

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.....

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R.....

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.....

.....

R.....

TOTAL: R.....

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

Name of Bidder:

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

| DESCRIPTION OF EXPENSE TO BE INCURRED | RATE | QUANTITY | AMOUNT |
|---------------------------------------|-------|----------|--------|
| | | | R..... |
| | | | R..... |
| | | | R..... |
| | | | R..... |
| TOTAL: R..... | | | |

6. Period required for commencement with project after acceptance of bid
 7. Estimated man-days for completion of project
 8. Are the rates quoted firm for the full period of contract? *YES/NO
 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

Name of Bidder:

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

| DESCRIPTION OF EXPENSE TO BE INCURRED | RATE | QUANTITY | AMOUNT |
|---------------------------------------|-------|----------|--------|
| | | | R..... |
| | | | R..... |
| | | | R..... |
| | | | R..... |
| TOTAL: R..... | | | |

6. Period required for commencement with project after acceptance of bid
7. Estimated man-days for completion of project
8. Are the rates quoted firm for the full period of contract? *YES/NO
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
-
-
-

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and /or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. BIDDER'S DECLARATION

2.1. Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state?

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.2. Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution?

YES/NO

2.2.1 If so, furnish particulars:

.....

2.3. Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

.....

2.3.1 If so, furnish particulars:

.....

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

3. DECLARATION

3.1. I have read and I understand the contents of this disclosure;

3.2. I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.

3.4. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

² Joint Venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

3.6. There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of

3.7. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS
1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF
PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING
ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value below R50 000 000 (all applicable taxes included).

1.2

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

| | POINTS |
|----------------------------------------------------------|------------|
| PRICE | 80 |
| B-BBEE STATUS LEVEL OF CONTRIBUTOR | 20 |
| Total points for Price and B-BBEE must not exceed | 100 |

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

(a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or tenders;

(d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) **"prices"** includes all applicable taxes less all unconditional discounts;

(h) "proof of B-BBEE status level of contributor" means:

- 1) B-BBEE Status level certificate issued by an authorized body or person;
- 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
- 3) Any other requirement prescribed in terms of the B-BBEE Act;

(i) "QSE" means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(j) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 PREFERENCE POINT SYSTEMS

A maximum of 80 points is allocated for price on the following basis:

80/20

$P_s = 80$

$80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

| B-BBEE Status Level of Contributor | Number of points (80/20 system) |
|------------------------------------|------------------------------------|
| 1 | 20 |
| 2 | 18 |
| 3 | 14 |
| 4 | 12 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant contributor | 0 |

5. BID DECLARATION

- 5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: = (maximum of 20 points)
.....

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?
(Tick applicable box)

| | | | |
|-----|--|----|--|
| YES | | NO | |
|-----|--|----|--|

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted..... %

ii) The name of the sub-contractor(s).....

.....

.....

.....

.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

| | | | |
|-----|--|----|--|
| YES | | NO | |
|-----|--|----|--|

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

| Designated Group: An EME or QSE which is at least 51% owned by: | EME | QSE |
|-------------------------------------------------------------------|-----|-----|
| | √ | √ |
| Black people | | |
| Black people who are youth | | |
| Black people who are women | | |
| Black people with disabilities | | |
| Black people living in rural or underdeveloped areas or townships | | |
| Cooperative owned by black people | | |
| Black people who are military veterans | | |
| OR | | |
| Any EME | | |
| Any QSE | | |

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[Tick applicable box]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....
.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[Tick applicable box]

8.7 Total number of years the company/firm has been in business:.....

8.8

I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

| | |
|------------------------------------------------|-------------------------------------------------------------|
| <p>WITNESSES</p> <p>1.</p> <p>2.</p> | <p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> |
|------------------------------------------------|-------------------------------------------------------------|

**APPOINTMENT OF INDEPENDENT SERVICE
PROVIDERS FOR THE PROVISION OF PROPERTY
VALAUTION SERVICES FOR THE PERIOD OF
THREE YEARS**

DID19/11/2022

CLOSING DATE: 13 DECEMBER 2022

1. DEFINITIONS

The following abbreviations are used in this term of reference:

| | |
|--------|-----------------------------------------------------------|
| GDID | Gauteng Department of Infrastructure Development |
| SACPVP | South African Council for The Property Valuers Profession |
| MVR | Municipal Valuation Rolls |
| GIAMA | Government Immovable Asset Management Act |
| IAR | Immovable Asset Registered |

2. PURPOSE

The Gauteng Department of Infrastructure Development ("GDID") intend to appoint service providers per corridor to continue with the maintenance of the life cycle of Immovable Asset Register by conducting property valuation reports for various purposes.

3. BACKGROUND

The cost of asset is defined as the total cost of acquisition. In cases where the cost could not be determined accurately, the immovable capital asset was stated at R1 unless the Fair Value has been reliably estimated.

However, the majority of carrying values (Historical Cost) in the Immovable Asset Register (IAR) and Annual Financial Statements (AFS) are not reliable and can no longer be traced to supporting documentation or valuation methods (legacy premise immovable asset register), given the state of accounting records and lack of audit trail.

The immovable properties to be valued are situated in five corridors of the Gauteng Province, the table below indicates number of properties per corridor:

Table 2. Corridor,

| No. | CORRIDOR | NUMBER OF PROPERTIES |
|-----|-------------------|----------------------|
| 1 | Central Corridor | 3100 |
| 2 | Eastern Corridor | 1618 |
| 3 | Northern Corridor | 1887 |
| 4 | Southern Corridor | 1109 |
| 5 | Western Corridor | 565 |
| | Total | 8279 |

4. OBJECTIVES/ PROJECT AIMS

The primary objective of this project is to undertake immovable property valuations on the IAR behalf of GDID for various purposes and to including the following documents as part of the submission of the Valuation Reports. The valuer is expected to cover all the items listed in below in the valuation report.

4.1 Title Deed Information and other relevant information

- Title deed (Number, date registered and office of registration)
- Full description of property(s) as per Title Deed.
- Registered owner(s) from the first registration date of the subject property.
- Extent of property
- Date of acquisition by current owner
- Purchase price (any subsequent changes)
- Current Mortgage Bonds
- All relevant title conditions (including servitudes, endorsement and caveats)
- Existing lease agreements or other registered land rights
- Mineral rights (if applicable)
- Any unregistered rights and how it impacts on value
- The confirmation of water use entitlement from the Department of Water and Sanitation.
- The valuer must indicate if the farm is operating as single unit.
- Surveyor-General's diagram of property.

4.2 Certificate of Value

- Assumption and limiting conditions
- Certificate of Value
- Sign the valuation report and the Certificate as follows; his/ her name and surname, signature, registration number and registration category of the SACPVP.

4.3 Physical description of the property

- Situation
- Nature of surrounding neighborhood/ area
- Distances from important points
- Availability of services and amenities
- Historical background, if applicable
- Features of property, including topography, soil types, shape, etc.
- Climatic conditions and water supply, if applicable
- Buildings and other improvements-herewith a detailed discussion of improvements is necessary, including Gross Building Areas, age and condition.

4.4 Establishment of comparable sales:

The valuer should indicate comparable factors and comparable properties:

- Indicate the scope of the deeds search in terms of radius and time frame of sales
- Include a list of all comparable sales and not only selected sales with which subject property has been compared
- Comparable properties, explain why certain sales were excluded from further analysis
- Indicate how market data were interpreted, adjusted and applied

- Comparable price per hectare for different kinds of land use
- Detailed discussion on the following:
 - o Full names, period of service, number of households of labourers/ tenants
 - o Whether there are illegal occupants or not.
 - o Market identification of property - potential and highest and best use
 - o Market conditions

NOTE: All sales of properties acquired by the State must be excluded for comparative purposes; provided further that in the event of insufficient sales, such transactions involving acquisition of properties by the State may be considered on condition that it is clearly indicated as such.

4.5 Application of comparable sales:

- Explain Method of valuation and applicability
- Motivation including all calculations showing how comparable sales have been adjusted and applied.
- Value conclusion and Certificate of Value;

The Certificate of Value (or Valuers Certificate, Valuation Certificate, etc.) is a statement to the effect that the valuer has reached his or her conclusion on the basis of considering all relevant factors, subject to stated assumptions and limiting conditions, and without prejudice due to any present or contemplated interest in the properties or the outcome of the valuations

5. RISKS

The overall risk for not implanting the above project objectives/ aims will lead to continuous no compliance and incompleteness (Audit Findings) of the GPG assets register which leads to poor management, maintenance of Immovable assets including poor budgeting for those assets.

6. SCOPE OF WORK

Independent Professional Services Providers are required to: Conduct Property Valuations for Gauteng Provincial Government Asset Register. The IAR portfolio value has been populated using Municipal Valuations Rolls (**MVR**) and Fair Value Model. This does not reflect the true value of the portfolio as it is conducted in line with Municipal Property Rates Act which its objective is to charge rates and taxes on immovable assets. It is therefore necessary to conduct Market Related Values to address the following:

- Rental Determination on leased properties
- Portfolio of evidence such as Zoning Information, SG Diagrams etc
- Lodging of Objections and Appeals on Valuations Rolls published by Municipalities and eliminates paying assets accounts that may not belong to GPG property portfolio (CLAIMS)
- Acquisition or Disposals of immovable assets
- Annual Financial Statements
- Generally, Recognized Accounting Practice for future compliance Properties which currently need to be valued:
- Number of properties = 8279 (incl of 1265 Future, Deemed & Vested)
- Profiling and Valuations Report of all properties to be valued = 8279.

7. EVALUATION PROCESS

7.1. Evaluation Steps:

- Pre-qualification
- Mandatory & other Administrative Requirements
- Functionality Evaluation Criteria
- Price and Preference Points

7.1.1. PRE-QUALIFICATION REQUIREMENTS APPLICABLE TO THIS BID

- Only tenderers having a B-BBEE status level contribution of 1 or 2 or 3 will be considered for evaluation. Therefore, bidders must submit a valid B-BBEE certificate issued by a SANAS Accredited Agency or a valid sworn affidavit with the bid document. NB! Sworn affidavit must be signed by deponent and attested by a Commissioner of Oath, a copy of sworn affidavit will not be accepted and will result in disqualification. sworn affidavits must be accompanied by audited / unaudited annual financial statements or management accounts or a letter from the accountant confirming the financial position for a period of 12 months (whichever applicable depending on (whichever applicable depending on the nature of the business) and must not be older than 18 months. (A consortium or JV must submit a valid SANAS accredited consolidated BBBEE certificate, No sworn affidavit will be accepted for a trust, consortium or JV). Copies of BBBEE certificate must be certified and certification of BBBEE certificate should not be older than 6 months.

7.1.2. MANDATORY REQUIREMENTS

| |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Failure to submit / meet or comply with the following requirements automatically constitute disqualification of tender offer. |
| Invitation to bid (SBD 1) |
| Pricing schedule for firm prices (SBD 3.3) |
| Declaration of interest (SBD 4) |
| Submission of completed preference claim form (SBD6.1) |
| Submission of signed JV agreement or consortia agreement in case of Joint Venture/ Consortium that must stipulate the percentage revenue split between the parties |
| Bidders to provide an undertaking that on appointment they will have in their employ a minimum of two (02) x Professional Valuers per corridor, which number shall be applicable for the duration of the contract. In the event where the Bidders lose any of the minimum two (02) x Professional Valuers required at any time after appointment due to resignation or some other reason, then the Bidders must ensure that substitute Professional Valuers with the same qualifications and experience are employed within 60 (sixty) days. |

7.1.3. Other Administrative Requirements

| |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Proof of Registration with CSD (the CSD report or MAAA number). CSD registration report for each main bidder, partner in the trust, consortium or joint venture to be submitted. |
| Submission of a Tax Compliance Status PIN that will grant a third-party access to the bidder's Tax Compliance Status. (A trust, consortium or joint venture must submit a Tax Compliance Status Pin of each partner in the trust, consortium or joint venture) |
| Registration Documents of the business with the Companies and Intellectual Property Commission (CIPC) |
| Certified ID copies for all members / directors / shareholders or owner/s to be submitted. (certification of documents should not be older than 6 months) |

7.1.4. FUNCTIONALITY EVALUATION CRITERIA

Functionality will be scored out of 100 points and the minimum threshold to obtain for further evaluation is 70 points. Bidders who fail to meet the minimum threshold will not be considered for evaluation on price and preferences. The evaluation criteria to score bidders on functionality is as follows:

| Main functionality criteria: | Sub criteria | Points allocation for sub-criteria | Weighting factor: |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------|
| COMPANY EXPERIENCE Demonstrated experience of tendering entity with respect to property valuation management services | Bidders to provide proof of work on previously completed in property valuation work on Immovable Assets with contactable references letters on the client letterhead: | | |
| | 5 reference letters confirming completion of project or service on client letter head with corresponding 5 appointment letters / purchase orders in property Valuation. | 40 points | 40 points |
| | 4 reference letters confirming completion of project or service on client letter head with corresponding 4 appointment letters. (in property Valuation). | 32 points | |
| | 3 reference letters confirming completion of project or service on client letter head with corresponding 3 appointment letters. (in property Valuation). | 24 points | |
| | 2 reference letters confirming completion of project or service on client letter head with corresponding 2 appointment letters. (in property Valuation). | 16 points | |
| | 1 reference letters confirming completion of project or service on client letter head with corresponding 1 appointment letters. ((in property Valuation). | 8 points | |
| | No reference letters confirming completion of project or service on client letter head. (in property Valuation). | 0 points | |
| | Note: Reference letters must be on client letter head, failure to submit the service provider will forfeit points. | | |

| | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| QUALIFICATION FOR KEY PERSONNEL (qualification/s or PR must be certified, and certification of qualification/s or PR registration should not be older than 6 months) | Key staff (assigned personnel) in relation to the scope of property valuations services. Attach CV's with reference and certified copies of professional registration with the SACPVP as professional Property Valuer or Professional Associated Valuer without restrictions: | | |
| | 2 Registered Professional Property Valuers or Professional Associated Valuer without restrictions per corridor = 10 points each Registered Professional Property Valuers or Professional Associated Valuer who is not professional registered with SACPVP will be scored zero (0) points NB The team must include at least two (02) professional property valuers or professional associate valuers without restrictions. The team will be deemed incomplete if all 2 professionals are not provided therefore the bidder will forfeit points for Key personnel on qualifications. | 20 points | 40 points |
| EXPERIENCE OF KEY PERSONNEL | EXPERIENCE OF KEY PERSONNEL OF REGISTERED PROFESSIONAL PROPERTY VALUERS OR PROFESSIONAL ASSOCIATED VALUER (WITHOUT RESTRICTION): Must attach CVs of each valuer (key personnel) Registered Professional Property Valuers or Professional Associated Valuer – with at-least 5 years' experience in property valuation = 10 points Each A Professional Property Valuer/s or Professional Associated Valuer/s – with less than 5 years' experience will be scored zero point. (0 Point) Failure to attach CVs will forfeit points | 20 points | |
| | NB! A key staff who does not meet the stated minimum qualification will be scored zero point | | |
| PROJECT PLAN | A Detailed Project Plan, detailed work breakdown structure, clear timeframe aligned to the project duration to include the following: | | 20 points |
| | A project plan demonstrating that a service for property valuations of 8279 will be completed within: | | |
| | 2 years or less | 20 points | |
| | More than 2 years but less than 2 years 6 months | 15 points | |
| | More than 2 years 6 months but less than 03 years | 10 points | |
| | Over 3 years or no project plan | 0 points | |

7.1.5. PRICE EVALAUTION

- The value of this bid is estimated not to exceed R50 000 000 per corridor (all applicable taxes included) and therefore the 80/20 preference point system will be applicable.

| | |
|-----|----------------------------------|
| (a) | Points for Price: 80 points |
| (b) | Points for Preference: 20 points |
| | |

| B-BBEE status level of contributor | Number of points (80/20system) |
|------------------------------------|--------------------------------|
| 1 | 20 |
| 2 | 18 |
| 3 | 14 |
| 4 | 12 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant contributor | 0 |

8 OBJECTIVE CRITERIA APPLICABLE TO THIS BID

The department believes that the property rates payable to the municipalities are higher than the value of our properties, hence the department intend to appoint the independent service providers to conduct property valuation for GPG owned immovable assets. The department does not want to contract with the service provider who was once involved or been contracted by the municipality for the same service in the same corridor, because that service provider might not provide an independent report different to what they have done / issued to the municipality or employer.

With the report of an independent service provider the department will be able to challenge / object the municipality property rates in case they are high. However, with the report of the service provider who

have done property valuation to the municipality in the same area may not be trusted because that service provider cannot issue a report contrary to what they have issued to their previous employer.

Based on the above the department reserve the right not to appoint any service provider who have provided same service to the municipality in the same corridor even if they scored high points on price and preference, but preference will be given second highest scoring independent service provider who did not provide the same service to the same corridor provided that they meet all requirements and their prices are market related. Therefore, all interested bidders must provide their price offer per corridor and appointment will be per corridor.

9. PRICE OFFER PER CORRIDOR

It is required that Bidders indicate which corridor they are bidding for as per the corridor Table below, it must be noted that the department may not appoint any bidders who are involved in the Valuation Rolls work within the municipalities in those corridors:

| No. | CORRIDOR | NUMBER OF PROPERTIES | MAKE A TICK NEXT TO THE APPLICABLE CORRIDOR |
|------------|--------------------------|-----------------------------|----------------------------------------------------|
| 1 | Central Corridor | 3100 | |
| 2 | Eastern Corridor | 1618 | |
| 3 | Northern Corridor | 1887 | |
| 4 | Southern Corridor | 1109 | |
| 5 | Western Corridor | 565 | |
| | Total | 8279 | |

- The overall price offer per corridor must be transferred to SBD3.3 and the overall total offer for all corridors tendered for must be transferred to SBD1

9.1. **Central Corridor**

Bidder's Name: _____

| No. | NUMBER OF PROPERTIES | TOTAL COST PER PROPERTY Inc VAT (inclusive of disbursement costs and any other cost if any) | TOTAL OVERALL COST INCLUDING VAT (inclusive of disbursement costs and any other cost if any) |
|-----|----------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 1. | 3100 | R_____ | R_____ |

9.1.1. Has the above-mentioned bidder provided or contracted to provide property valuation services by the municipality in the central corridor? **(YES / NO)** _____

9.1.2. If the answer is **YES**, please indicating the contract period (date of appointment and completion Date):

9.1.3. The department reserve the right not to appoint any service provider who provided the same Service to the municipality (central corridor).

Signature

date

Position

Name of the bidder

9.2. **Eastern Corridor**

Bidder's Name: _____

| No. | NUMBER OF PROPERTIES | TOTAL COST PER PROPERTY Inc VAT (inclusive of disbursement costs and any other cost if any) | TOTAL OVERALL COST INCLUDING VAT (inclusive of disbursement costs and any other cost if any) |
|-----|----------------------|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 2. | 1618 | R _____ | R _____ |

9.2.1. Has the above-mentioned bidder provided or contracted to provide property valuation services by the municipality in the Eastern Corridor? **(YES / NO)** _____

9.2.2. If the answer is **YES**, please indicating the contract period (date of appointment and completion Date):

9.2.3. The department reserve the right not to appoint any service provider who provided the same Service to the municipality (Eastern Corridor).

Signature

date

Position

Name of the bidder

9.3. Northern Corridor

Bidder's Name: _____

| No. | NUMBER OF PROPERTIES | TOTAL COST PER PROPERTY Inc VAT (inclusive of disbursement costs and any other cost if any) | TOTAL OVERALL COST INCLUDING VAT (inclusive of disbursement costs and any other cost if any) |
|-----|----------------------|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 1. | 1887 | R_____ | R_____ |

9.2.1. Has the above-mentioned bidder provided or contracted to provide property valuation services by the municipality in the northern corridor? **(YES / NO)** _____

9.2.2. If the answer is **YES**, please indicating the contract period (date of appointment and completion Date):

9.2.3. The department reserve the right not to appoint any service provider who provided the same Service to the municipality (northern corridor).

Signature

date

Position

Name of the bidder

9.4. Southern Corridor

Bidder's Name: _____

| No. | NUMBER OF PROPERTIES | TOTAL COST PER PROPERTY Inc VAT (inclusive of disbursement costs and any other cost if any) | TOTAL OVERALL COST INCLUDING VAT (inclusive of disbursement costs and any other cost if any) |
|-----|----------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 1. | 1109 | R _____ | R _____ |

9.4.1. Has the above-mentioned bidder provided or contracted to provide property valuation services by the municipality in the Southern corridor? (YES / NO) _____

9.4.2. If the answer is **YES**, please indicating the contract period (date of appointment and completion Date):

9.4.3. The department reserve the right not to appoint any service provider who provided the same Service to the municipality (Southern corridor).

Signature

date

Position

Name of the bidder

9.5. Western Corridor

Bidder's Name: _____

| No. | NUMBER OF PROPERTIES | TOTAL COST PER PROPERTY Inc VAT (inclusive of disbursement costs and any other cost if any) | TOTAL OVERALL COST INCLUDING VAT (inclusive of disbursement costs and any other cost if any) |
|-----|----------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 1. | 565 | R _____ | R _____ |

9.5.1. Has the above-mentioned bidder provided or contracted to provide property valuation services by the municipality in the western corridor? **(YES / NO)** _____

9.5.2. If the answer is **YES**, please indicating the contract period (date of appointment and completion Date):

9.5.3. The department reserve the right not to appoint any service provider who provided the same Service to the municipality (western corridor).

Signature

date

Position

Name of the bidder

10. TENDER SYSTEM

- 10.1. The project is not a two envelop system, the details (including price offers) of all bids received on closing time will be read in public immediately after closing time.
- 10.2. The tender validity period after closing date is 90 days.

11. TENDER SUBMISSION

- 11.1. No late bids will be accepted and no fax, email, CD tender documents will be accepted. Tender document must be delivered on the address mentioned in the invitation to tender.

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
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17. Prices
18. Contract amendments
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20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
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27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
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32. Taxes and duties
33. National Industrial Participation Programme (NIPP)

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

- | | |
|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. Application | <p>2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p> <p>5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p> |
| 6. Patent rights | <p>6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.</p> |
| 7. Performance security | <p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> |

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections,
tests and
analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

- 10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. Spare parts
 - 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
 - (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.
- 15. Warranty
 - 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
 - 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
 - 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
 - 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
 - 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

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| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.</p> <p>16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p> |
| 18. Contract amendments | <p>18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p> |
| 19. Assignment | <p>19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.</p> |
| 20. Subcontracts | <p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.</p> |
| 21. Delays in the supplier's performance | <p>21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.</p> |

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination
for insolvency**

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

**27. Settlement of
Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of
liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.